

receiving IMF loans. Specifically, the report attempts to look at exactly how IMF programs are structured and what is included in conditional IMF loan packages for borrowing countries.

I am certain this project was very difficult, especially getting specific data on the IMF from our Government or directly from the IMF. Frankly, Mr. President, when we're talking about \$12 billion of U.S. taxpayer money, our citizens have the right to know exactly what's being done with our money. Getting clear information from our Treasury Department on IMF programs—the numbers for the conditional deals behind the rhetoric—should be easy, not nearly impossible.

The de Tocqueville Institute's preliminary estimates uncovered interesting facts. Between 1985 and 1988, 47 IMF-sponsored arrangements involving monetary policy were studied. Nine involved fixed exchange rates, 6 involved adjustable pegs, 10 provided for a real-exchange rate rule and 22 of them were a complete float. However, the institute's study has uncovered a greater willingness on the part of the IMF since 1989 to experiment with fixed currency rates as a means of ensuring a stable economy. Especially important are results from Argentina's attempt to link their currency directly to the dollar. In the last 6 months, with the two currencies linked, Argentina's inflation has remained below 4 percent and economic growth continues above 3 percent of real GNP without wild fluctuations characteristic of the Argentine economy only a short time ago.

I am told the report also looks at IMF claims about the importance of privatization. The fund has placed an increasing rhetorical emphasis on privatization, but preliminary analysis shows the Fund has actually given much less emphasis to it than to other areas—budget balancing, for instance. To assist a nation in improving its tax collection, the IMF has sent in dozens of tax specialists, but has nothing similar for privatization.

Mr. President, during the coming break, I hope my colleagues, their staffs, and the news media will take time to read the de Tocqueville Institution's report on the International Monetary Fund—especially before we vote to spend \$12 billion to increase our investment in the IMF.

I thank my colleagues for their attention.

AUTOMATED TELEPHONE CONSUMER PROTECTION ACT

Mr. PRESSLER. Mr. President, I support Senate passage of S. 1462. This legislation is the result of a House and Senate conference on comprehensive telemarketing legislation. It incorporates legislation Congressman MARKEY introduced in the House of Representatives and I introduced earlier this year in the Senate, and legislation introduced by Senator HOL-

LINGS. S. 1462 contains the provisions I first suggested in S. 1410, which passed the Senate earlier this year. I introduced this legislation in response to the national outcry over the explosion of unsolicited telephone advertising. I want to thank Chairman HOLINGS and Chairman MARKEY for their efforts both to forge an agreement on our three bills.

Mr. President, consumers in my home State of South Dakota are fed up with the annoyance of unwanted telephone solicitations. Unlike other communications media, the telephone commands our instant attention. Junk mail can be thrown away. Television commercials can be turned off. The telephone demands to be answered.

People are increasingly upset over this invasion of their privacy by unrestricted telemarketing. In fact, the consumer backlash that has arisen from the cost and the interference of unsolicited telemarketing calls has sparked the introduction of over 1,000 bills in State legislatures around the country seeking to limit this abuse. The complaints of consumers have been heard.

This past June, we held hearings in the Commerce, Science, and Transportation Committee on S. 1410. During these hearings, we received testimony from consumer advocates, private citizens, and representatives of the telemarketing industry. The testimony we received was clear. The Federal Government needs to act now on uniform legislation to protect consumers.

The primary purpose of this legislation is to develop the necessary ground rules for cost-effective protection of consumers from unwanted telephone solicitations. These rules should allow responsible telemarketers to reach consumers who are most responsive to this form of solicitation, while eliminating the cost and time of contacting those individuals who would be least responsive.

To accomplish this balanced approach, the substitute we have before us today directs the FCC to prescribe regulations to protect the privacy rights of consumers from the intrusion of unsolicited telephone marketing calls. One such proposal the FCC would consider is the use of a telephone electronic database that would allow consumers to have their phone numbers protected from unsolicited advertising. This type of consumer protection has already been used with great success in the State of Florida. Another proposal the FCC would examine is the placement of all telemarketers on a single exchange, thus allowing consumers to block calls from that exchange.

Some objected to the original legislation because of the extent to which it outlined the safeguards necessary for the creation of a national database. While I personally believe that an electronic database will give the most promising protection for consumers, we recognize that newer technologies

could be used more effectively in the future. It is important to note that certain anti-competitive questions may arise as a result of the form of protection the FCC chooses. For this reason, it is important for the FCC to keep a close watch on the impact of its rule-making on businesses that compete with larger monopolies.

We included in this substitute a provision that directs the FCC to examine whether local telephone solicitations by small businesses and second class mail permit holders should be subject to the same FCC regulations that would apply to all other telemarketers. Many small businesses conduct responsible telemarketing in the local areas they serve. Since their business depends upon their good standing in the community, they conduct their own telemarketing in a very respectable way.

We include in this bill an exemption for businesses that have an established business relationship with their customers. For example, if Citibank's credit card operation needed to inform customers about new services it intended to provide to their credit card customer, clearly this contact would be allowed.

The effect of this legislation will be to prohibit "cold calls" by any telemarketer to the telephone of a consumer who has no connection or affiliation with that business and who affirmatively has taken action to prevent such calls. Many responsible telemarketers have told me that this will save them both time and money by reaching only those people who are most likely to respond positively to their solicitations.

S. 1462 also addresses problems arising from computerized calls. Due to advances in auto-dialer technology, machines can be programmed to deliver a prerecorded message to thousands of sequential phone numbers.

This results in calls to hospitals, emergency care providers, unlisted numbers, and paging and cellular equipment. There have been many instances of auto-dial machines hitting hospital switchboards and sequentially delivering a recorded message to all telephone lines. In some cases, the calling machine does not release the called party's line until the recorded message has ended. This renders the called party's phones inoperable. In an emergency situation, this can create a real hazard.

To remedy this situation, the substitute requires auto-dialer machines to release the phone line automatically after the called party hangs up. In addition, it requires all prerecorded messages to clearly identify the name, phone number or address of the person or business initiating the call.

This bill also allows hospitals, police stations, fire stations, and owners of paging and cellular equipment to eliminate all unsolicited calls.

The growth of facsimile machines in the workplace has brought another form of unsolicited advertising—the junk fax. Unsolicited facsimile advertising ties up fax machines and uses the called party's fax paper. This costs the recipient both time and money. The substitute bill requires that autodial fax machines clearly mark on all transmissions the date and time of transmission, the identity of the sender, and the telephone number of the sending machine.

While our substitute will not end all unsolicited calls, it will give back to consumers the freedom to choose how their telephones are used. The balanced approach we take in the Pressler-Markey-Hollings legislation, will finally give consumers relief from modern door-to-door salesmen who now have the unrestricted ability to invade the privacy of our homes at any time.

Mr. President, I ask unanimous consent that several articles in support of this legislation be placed in the RECORD immediately following my remarks.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

[From the Chicago Tribune, Nov. 22, 1991]

PUTTING LIMITS ON AUTODIALERS

Ever had a pleasant dinner interrupted by a telephone call, only to hear a tape-recorded voice greet you with an offer of something to buy? Then you may think there is nothing but good in congressional efforts to put a stop to such annoyances.

That reaction is perfectly understandable but not entirely wise. Autodialers may not be to everyone's liking, but they have value to some buyers and sellers—otherwise, they would vanish on their own. Fortunately, there are ways to deal with the aggravations and abuses without barring the machines altogether.

Autodialers have grown in use because, as a New York Times story put it, "they don't eat, they don't sleep and their feelings never get hurt when people curse them or hang up on them. They just call and call and call—each one up to 1,500 times a day."

By one estimate, these gadgets make 20 million calls a day in the United States, flooding a wide variety of goods and services. Most consumers, no doubt, hang up within seconds, if not milliseconds, but enough stay on the line to listen—and buy—that many companies wouldn't think of doing business without them.

They create problems beyond the interrupted meal. They can tie up phone lines, even after victims hang up, overwhelm electronic paging services and inflict unwanted expenses on cellular phone owners, who pay for incoming as well as outgoing calls.

The Senate recently passed two measures dealing with autodialers—one good and one bad. The good one, sponsored by Larry Pressler (R-S.D.), directs the Federal Communications Commission to either let consumers shield themselves by registering their numbers or to put the autodialers all on one exchange, enabling consumers to block their calls. The bad one, offered by Ernest Hollings (D-S.C.), bans autodialers from calling either fax machines or homes.

Hollings' blunderbuss approach would not only penalize businesses and consumers that benefit from autodialers, but probably run afoul of the Constitution as well. The 1st

Amendment protects the freedom to speak—even by phone and even by recording. If Congress can't outlaw indecent messages provided by "phone sex" services—as the Supreme Court has ruled—it presumably has to be careful with broad prohibitions on the delivery of messages by autodialer.

A better approach is to zero in on clear abuses. A House bill would ban calls to emergency lines of health care facilities, police and fire departments. It would put pagers and cellular phones off limits. And autodialers would be required to disconnect after the person called hangs up—something not all do now.

Lawmakers should keep in mind that while recorded solicitations may be annoying to most consumers, they perform a valued function for some. It isn't too much to ask that Congress, in trying to protect the former, should also accommodate the interests of the latter.

[From the New York Times, Nov. 8, 1991]

SENATE VOTES DIALER BAN

WASHINGTON, Nov. 7.—The Senate unanimously approved bills today that would virtually ban the use of automated dialing machines in telephone marketing and would make it easier to block unwanted calls by live sales representatives.

The first measure, sponsored by Senator Ernest F. Hollings, Democrat of South Carolina, would make it illegal to use machines that automatically call homes and play recorded sales pitches, unless a person has given specific written or spoken permission.

A second measure, sponsored by Senator Larry Pressler, Republican of South Dakota, would instruct the Federal Communications Commission to adopt rules to help people block both live- and computer-delivered sales calls.

[From the Washington Post, Nov. 19, 1991]

HOUSE VOTES TO RESTRICT CALLS BY TELEMARKETERS

(By Cindy Skrzycki)

The House of Representatives yesterday passed legislation to restrict telemarketers who dial some 38 million Americans every day with unsolicited commercial telephone calls, selling credit cards, aluminum siding, children's photographs and uncounted other products.

The bill, which passed by a voice vote, has to be reconciled with two initiatives approved by the Senate that also take aim primarily at auto-dialers, which are computers that spew prerecorded messages. Differences in the bills should be ironed out by the end of the week, said a staff member on the House telecommunications and finance subcommittee.

Once a compromise reaches the White House, however, its fate is less certain. The Bush administration has raised objections to taking away or regulating one of business's most potent and economical marketing tools.

Nevertheless, the issue of blocking unsolicited sales calls generated by humans, computerized machines or facsimile machines isn't likely to go away as millions of Americans find their dinner hours interrupted by telephone sales calls, sometimes from machines that refuse to free the line.

"When people get home from work, they deserve some peace and quiet," said Rep. Edward J. Markey (D-Mass.), sponsor of the House bill and chairman of the subcommittee on telecommunications and finance.

The House bill attempts to balance the privacy rights of individuals against the rights of businesses that may be using tele-

marketing not to solicit but to reach customers to warn of an electrical power test or a delinquent loan.

The Senate bill, sponsored by Sen. Ernest Hollings (D-S.C.), proposes to ban all computerized calls to the home unless the party consents to receiving them. In contrast, Markey's bill would charge the Federal Communications Commission with coming up with a way to protect consumers from commercial solicitations.

The House bill does allow businesses with established relationships to call even if a name shows up on an industry "do-not-call list." Contact would stop if the consumer objected again to being called.

The House bill prescribes additional restrictions for auto-dialers: The machines would have to identify themselves and hang up as soon as possible. They would not be allowed to call emergency phone lines, or mobile or cellular phones.

Also, the House bill requires faxes used for advertising to include the identity and telephone number of the faxer. It also asks the FCC to consider banning "junk faxes."

The Hollings bill places an outright ban on unsolicited faxes unless there has been some prior consent from the consumer.

Under the Markey bill, the FCC would have about a year to explore the best way to protect the privacy of residential telephone subscribers, an approach that is also suggested by Sen. Larry Pressler (R-S.D.) in a bill that passed the Senate earlier this month.

Some of the alternatives the FCC might consider include a national electronic database of people who do not want to be called, the use of new telephone technology to block such calls, or special markings such as an asterisk in the telephone book.

Studies done by telephone companies and other organizations show that automated telemarketing, which has grown into an industry that generates \$435 billion in sales, is a growing irritant to Americans who feel the telephone is invading their privacy.

[From the Baltimore Sun, Nov. 19, 1991]

SENATE, HOUSE HANG UP ON TELEPHONE SOLICITORS; BOTH HOUSES PASSED SIMILAR LEGISLATION

(By David Hess)

WASHINGTON.—If you're being annoyed by telephone sales pitches from total strangers—or even worse, a computer—help may be on the way.

The House voted without dissent yesterday to short-circuit those nuisance phone solicitations. The Senate already has acted, and minor differences in the two bills are expected to be resolved quickly.

"The aim is not to eliminate the Brave New World of telemarketing," said Representative Edward J. Markey, D-Mass., "but rather to secure the individual's right to privacy."

According to Representative Markey, some 300,000 companies use the phones to make unsolicited sales pitches to 18 million Americans every day.

Under Mr. Markey's bill, if you don't want to receive calls from the telemarketers, you could ask the Federal Communications Commission—or its designated agent—to put you on a "Don't Call" list. Any call after that would be illegal, and the caller would be subject to a fine of up to \$1,500.

Because of the technical details, it would take about a year for the FCC to put the system in place.

In addition to barring unwelcome calls from sales agents, the bill would ban automatically dialed calls from computers. And it would vastly curb the use of "fax" machines to send unsolicited advertisements.

The bill exempts charitable organizations and political parties, as well as polling and market research firms.

It also would allow magazines, newspapers, cable TV and credit-card companies to call their current subscribers.

The Senate has approved similar bills, sponsored by Sen. Ernest F. Hollings, D-S.C., and Sen. Larry Pressler, R-S.D. A final House-Senate version is expected to be enacted later this month.

The Bush administration opposes the legislation but took no action to derail it yesterday.

The President's Office of Management and Budget says that the proposal "would result in unnecessary regulation of commercial activities and could curtail technological innovation and eliminate legitimate business operations."

Congressional Republicans, however, generally support the bill, and several of them heartily endorsed it yesterday.

Marge Roukema, R-N.J., whose husband is a physician, said that her husband urged her to support the bill for health and safety reasons.

"He said a private line in his office, set aside for medical emergencies, has been tied up by these telemarketers and automatic dialing operations," she said.

[From the Indianapolis Star, November 11, 1991]

BILL WOULD OUTLAW SOME COMPUTER CALLS

The Senate has approved a bill that will outlaw computer phone solicitations unless consumers said they wanted to receive the calls. The legislation now goes to the House.

"It is time we liberated Americans from obnoxious telephone calls," said Sen. Larry Pressler, R-S.D., who sponsored the bill. "Consumers are fed up with the nuisance of unwanted telemarketing calls to their homes day and night."

The legislation also is designed to end other junk telephone calls. It prohibits:

Telephone solicitations to residential phone customers who choose not to receive the calls.

Use of automatic dialing machines or computer voice calls to emergency lines, cellular phones or pagers.

Unsolicited faxes.

The bill also allows consumers to recover damages for violation of the legislation.

Fraud by phone getting more common

Telephone fraud costs U.S. consumers about \$1 billion a year. All too often, older people are a favorite target. That's because they are more likely to have money.

To combat the growing menace, the Federal Trade Commission has a free booklet called *Fraud by Phone*. To get a copy, write to Public Reference, FTC, Washington, D.C. 20580.

[From the Congressional Quarterly Weekly Report, November 9, 1991]

The Senate on Nov. 7 passed on voice votes two bills aimed at ensuring the privacy of telephone consumers from marketers. A bill (S1410), sponsored by Larry Pressler, R-S.D., would direct the Federal Communications Commission (FCC) to halt the intrusion of unsolicited marketing calls.

One option is an electronic database that would allow consumers to register their phone numbers and receive protection from unsolicited advertising. Another is to place all telemarketers on a single phone exchange, to allow consumers to block calls from that exchange.

The FCC also would have to examine whether small businesses and second-class mail permit holders should be subject to the same rules. The bill would not prohibit businesses from calling established customers.

The other measure (S1462), sponsored by Commerce Committee Chairman Ernest F. Hollings, D-S.C., would curb the use of automatic telephone dialing devices. Businesses would be banned from placing automatically dialed calls to either fax machines or homes. Consumers who receive such calls could sue in state courts.

The House Energy and Commerce Committee in July approved a companion bill (HR1304) that would call on the FCC to protect consumers from unwanted telemarketing calls and regulate—but not ban—computerized dialing to either fax machines or residences. It awaits floor action.

[From the San Diego Union and Tribune, November 8, 1991]

PHONE SOLICITATION CURB GAINS IN SENATE

WASHINGTON—The Senate yesterday approved a bill that will outlaw computer phone solicitations unless consumers said they wanted to receive the calls.

The legislation was passed on a voice vote without opposition and now goes to the House.

"It is time we liberated Americans from obnoxious telephone calls," said Sen. Larry Pressler, R-S.D., who sponsored the bill. "Consumers are fed up with the nuisance of unwanted telemarketing calls to their homes day and night."

The legislation also is designed to end other junk telephone calls.

Telephone solicitations to residential phone customers who choose not to receive the calls.

Use of automatic dialing machines or computer voice calls to emergency lines, cellular phones or pagers.

Unsolicited faxes to junk machines.

[From Gannett News Service, Nov. 7, 1991]

SENATE VOTES TO LIMIT TELEMARKETING (By Norm Brewer)

WASHINGTON—Legislation to limit unsolicited telemarketing—particularly the use of autodialing—passed the Senate Thursday without opposition.

The measure is needed to protect the privacy of consumers from solicitors who call more than 18 million Americans each day, said Sen. Larry Pressler, R-S.D., who wrote the initial bill restricting telemarketing.

"Consumers are fed up with the nuisance of unwanted telemarketing calls to their homes day and night," he said in a statement. "Junk mail can be thrown away. Television commercials can be turned off, but the telephone demands to be answered."

Pressler said the measure would not end telemarketing, which has skyrocketed in sales to more than \$435 million last year.

But the Federal Communications Commission would have to consider options for banning telemarketers from calling residential consumers who do not want to be called. Options include a list of those consumers or putting them on exchanges that would be off-limits to telemarketers.

Use of automatic dialing machines would be restricted. The autodialer caller would have to be identified—including address and telephone number. If the consumer hung up, the autodialing machine would have to quickly hang up, too.

Now, some machines do not hang up until the recorded message has ended. That has created problems at hospitals and on emergency lines because it keeps the consumer's line tied up. The bill would allow hospitals, police and fire departments, and owners of paging and cellular equipment to block calls from autodialing machines.

So-called "junk" advertising using fax machines also would be prohibited.

More than 40 states—including South Dakota—already restrict telephone solicitations. However, telemarketers can operate nationally from states where laws are lax.

Pressler said the measure would "assist states in their attempts to regulate intrastate telemarketing abuse."

The House could consider a similar bill next week.

[From the Cincinnati Enquirer, Sept. 29, 1991]

CONGRESS CONSIDERS PROPOSALS TO LIMIT UNINVITED PHONE CALLS

Much of America is fed up with automatic, mechanized, privacy-invasive phone calls. But nobody has figured out quite what to do about it, though members of Congress are trying.

Bills to regulate the calls, which have a habit of interrupting sleep, dining or entertaining, are making their way through the legislative process. One, by Rep. Edward J. Markey, D-Mass., would bar such calls to hospital emergency rooms and other public-safety numbers and to paging services and cellular phones.

Sen. Ernest F. Hollings, D-S.C., would prohibit unwanted calls to homes. His bill would also require auto-dialers to hang up within five seconds after a call recipient hangs up. Yet another bill, by Sen. Larry Pressler, R-S.D., embraces the Markey bans and adds another on unsolicited advertising sent by fax machine.

The Markey and Pressler bills also instruct the Federal Communications Commission to study ways to protect phone customers. All lines should remain open to pollsters and other researchers, even if their non-automatic calls are sometimes annoying. Nor should government, federal or state, silence those who seek with their own voice to market a product or service.

But phone customers who want it deserve protection from the tape-recorded, metallic voices of those who make up to 1,000 calls daily.

[From Newsday, Sept. 18, 1991]

CURE TELE-JUNK

You're finally home from work, you've just sat down to dinner and the phone rings. What now? A disembodied voice that reminds you faintly of the paranoid computer HAL in "2001" wants to sell you something. And whether you want to buy or not—even if you hang up—the voice's taped sales spiel will tie up your phone until its course.

Junk mail is bad enough, but at least it doesn't keep you from getting the mail you want. But what can you do about endless junk phone solicitations—dialed automatically, to one number after another, without human intervention? Or about the plague of junk fax?

With some help from Congress, currently considering several bills to regulate telemarketing, you could do quite a lot.

At the least, as Sen. Ernest Hollings (D-S.C.) proposes, Congress should require an automatically dialed call to disconnect within five seconds after the targeted number hangs up, leaving the line free for emergency calls.

Unsolicited advertising by fax should be banned, as it would be under a bill offered by Sen. Larry Pressler (R-S.D.). Why should you provide paper and electricity for this?

Telemarketers should be required to compile a "don't-call" list of people who don't want to be bothered. If that fails, a national "don't-call" database may be necessary.

HAL, you'll recall, seized control from humans for a time. These bills would arrest

it from machines and put it in human hands.

(By Thom Kupper Credit Newsday)
BILLS WOULD LIMIT RECORDED
TELEMARKETING

[From the San Francisco Chronicle, Sept.
10, 1991]

Days after the 1989 Loma Prieta earthquake, a man whose house had been leveled was surprised to hear his phone ringing from under a pile of debris. He searched through the rubble and lifted the receiver to this ear, only to hear a recorded message trying to make a sale.

A Michigan family was unable to call an ambulance when their father was injured because an automatic dialing machine had called their house and would not hang up.

And at a college in Pennsylvania, a blind switchboard operator was besieged by an automatic dialing machine that called her switchboard five times a minute for several days.

These are a few of the many stories told at a recent Senate hearing looking into the "automatic dialing-recorded message playing" machines that are under attack by consumer groups as public annoyances and occasional safety hazards. The machines, which can make their tape-recorded pitch to as many as 1,000 homes a day, have become the primary target of a flurry of pending legislation aimed at regulating the telemarketing industry.

Representative Edward J. Markey, D-Mass., who is sponsoring one of the bills, said the machines are turning home telephones into "receptacles of 'junk calls' in the same way that junk mail often inundates our mailboxes."

Even the Direct Marketing Association, which represents the telemarketers, concedes the need for regulation. Dick Barton, the group's vice president for government affairs, said the organization was ready to support many of the restrictions that would be imposed by bills sponsored by Markey and Senators Larry Pressler, R-S.D., and Ernest Hollings, D-S.C.

Markey's bill would ban any automated calls to public safety numbers, paging services or cellular phones. Pressler would ban those calls as well as any unsolicited advertising sent by fax machine.

Hollings goes furthest of all, outlawing any unwanted automatic calls to homes and requiring autodialers to hang up within five seconds after the call's receiver hangs up.

The bills all passed through committee with strong support, and it seems certain that some version will be passed by both houses of Congress.

[From Newsday, Sept. 5, 1991]

HOW TO HANG UP ON THOSE AUTOMATED
PHONE CALLS

You're finally home from work, you've just sat down to dinner and the phone rings. What now? A disembodied voice that reminds you faintly of the paranoid computer HAL in "2001" wants to sell you something. And whether you want to buy or not—even if you hang up—the voice's tape sales spiel will tie up your phone until it's run its course.

Junk mail is bad enough, but at least it doesn't keep you from getting the mail you really want. But what can you do about endless junk phone solicitations—dialed automatically, to one number after another, without human intervention? Or about the growing plague of junk fax, which can occupy your machine with somebody's sales pitch just when you're expecting an important document that can't wait for overnight mail?

With some help from Congress, which is currently considering several bills to regulate telemarketing, you could do quite a lot.

At the least, as Sen. Ernest Hollings (D-S.C.) proposes, Congress should require an automatically dialed call to disconnect within five seconds after the targeted number hangs up, leaving the line free for emergency calls.

Unsolicited advertising by fax should be banned outright, as it would be under a bill offered by Sen. Larry Pressler (R-S.D.). Why should you provide paper and electricity for somebody's unwanted ad?

Every telemarketer should be required to compile a "don't-call" list of people who have indicated—perhaps quite vehemently—that they don't want to be bothered by future calls. (This newspaper deletes numbers from its computerized telemarketing list on request.) If that doesn't work, a national "don't-call" database may be necessary.

HAL, you'll recall, seized control from humans for a time. These bills would wrest it from machines and put it in human hands.

[From The Detroit News, July 25, 1991]

BILL AIMS TO HANG UP 'TELENUISANCE'

WASHINGTON—Congress is being asked to pull the plug on a national "telenuisance."

Tapping into an apparent wellspring of annoyance, the communications panel of the Senate Commerce Science and Transportation Committee Wednesday heard senators and witnesses recount a litany of complaints about computerized phone solicitations.

Labeling the practice everything from a "telenuisance" to "the modern form of telephone terrorism," the annoyed urged the panel to approve legislation by Sen. Ernest Hollings, D-S.C., that would ban computerized solicitations to residential phones, unless the user gives prior consent.

Hollings' bill is being considered by the subcommittee along with companion legislation, written by Sen. Larry Pressler, R-S.D., which also would curtail "junk fax" transmissions. The Pressler bill would direct the Federal Communications Commission to develop a national list of people who do not want solicitation calls.

Machine-generated telephone calls represent "the fastest growing category" of consumer complaints nationwide, according to Steven Hamm, South Carolina's consumer affairs director speaking for the National Association of Consumer Agency Administrators.

"Computer calls are now the modern form of telephone terrorism," Hamm said.

He urged the subcommittee to "put some teeth" into both the Hollings and Pressler proposals by imposing stiff penalties for violators.

Telemarketing industry representatives said they favored some regulation of computerized solicitations, but opposed an outright ban.

Direct Marketing Association Senior Vice-President Richard Barton said his industry group would favor prohibitions on "line seizure" by computer callers, as well as restricting calls to critical social services such as hospitals, both features of a House proposal.

"We are noting more than sources of revenue to an industry that has lost its moral compass," said Robert Bulmash.

"This out-of-control industry will summon us . . . by using our conditioned response to answer the phone as if we were nothing more than Pavlovian dogs with wallets," he said.

COMPUTER CALLS IRK LEGISLATORS

[From the Toronto Star, July 25, 1991]

WASHINGTON (REUTERS) Automated telephone advertising calls are a growing nuisance and need federal regulation, several senators and witnesses told a hearing.

"Computerized message players are a nuisance and an invasion of an individual's right to privacy," Senate commerce committee chairman Ernest Hollings, said yesterday.

"They are not just a nuisance, they're plain dangerous," Sen. Larry Pressler added. He said the calls can tie up emergency telephone lines.

Hollings and Pressler have introduced bills to regulate the calls and to ban calls to emergency numbers.

Witnesses at the committee's hearing said telemarketing firms are using computer-operated telephone systems to make hundreds of calls a minute with recorded advertising messages. Because the computers call telephone numbers in sequence, they can reach unlisted numbers, telephone pagers and cellular telephones.

Hollings' bill would prohibit unsolicited computerized telephone calls to homes, emergency numbers, pagers and cellular telephones. It would also ban unsolicited advertisements to facsimile machines.

[From Securities Week, Securities (SCR)
July 22, 1991]

SENATE PANEL TO HOLD A HEARING ON BILL
THAT WOULD RESTRICT COLD-CALLING

The Senate Communications Subcommittee will hold a hearing on a telemarketing bill this week, which if adopted, would have the unintentional effect of restricting cold-calling by brokers.

The "Telephone Advertising Consumer Rights Act," which was introduced by Sen. Larry Pressler (R-SD) in late June, is designed to give consumers a break from unsolicited telemarketing calls dialed by both humans and computers.

The bill requires the Federal Communications Commission to protect consumers from unwanted telemarketing calls in several ways. Consumers would be able to put their phone numbers on a "DO NOT CALL" list at the FCC, or, all telemarketers would be placed on a single exchange, which would allow consumers to block all calls from that exchange.

While the legislation is not aimed primarily at brokers, the bill's language is written in a way that would include cold-calling restrictions. The bill says that "telephone solicitation means the initiation of a telephone call or message for the purpose of encouraging the purchase or rental of, or investment in, property, goods, or services."

Pressler's bill is similar to telemarketing legislation introduced in the House by Rep. Edward Markey (D-MA). Markey's bill has already cleared the House Telecommunications and Finance Subcommittee, and the legislation is waiting to be reviewed by the full Energy and Commerce Committee. That hearing is not likely to occur until after Congress returns from its August recess.

[From the Washington Times, July 25,
1991]

CONGRESS TRIES TO SHIELD PUBLIC FROM
DELUGE OF TELEMARKETING

(By Jay Mallin)

The voice on the telephone line bubbles over with exciting news—a free trip to Hawaii, available just by calling a "number."

Being nothing but a mindless recording, however, the voice had no way of hearing the "click" as the recipient of the call hung up. And as the call was dialed by a computer that was probably picking phone numbers at random, no one knew that calling that particular phone number was probably a mistake.

The recipient of the call—perhaps the hundredth or thousandth such call placed by the computer that day—was Sen. Daniel K. Inouye. Being a Senator from Hawaii, he had no need of a free vacation in the islands, even if one was really available.

But as chairman of the Communications Subcommittee of the Senate's Commerce, Science and Transportation Committee, Mr. Inouye is likely to have considerable say on restrictions on telemarketing being considered by Congress.

The incident was just one of many that has everyone from consumer groups to the telemarketing industry association backing some kind of limit on telemarketing calls.

"Computerized calls are the scourge of modern civilization," Sen. Ernest Hollings, South Carolina Democrat, said recently on the Senate floor when he introduced a bill to limit the calls. "They wake us up in the morning, they interrupt our dinner at night, they force the sick and elderly out of bed, they hound us until we want to rip the telephone right out of the wall."

Several lawmakers have introduced bills to limit telemarketing calls. But the bills are still undergoing revision, and there is a range of choices Congress must make before it has a final version to consider—from whether to include non-profit organizations in any ban to exactly what kinds of calls should be prohibited.

Mr. Hollings' bill, for instance, would ban what everyone agrees are the most annoying calls—the ones that are placed by machines, often dialing random or sequential numbers, and that play pre-recorded messages with no involvement by a live person.

Stories about the disruptive effects of such machine calling abound. The "autodialers" have tied up cellular phone systems, rung every phone in a hospital, and once jammed the home phone line of a mother who was trying to call an ambulance for her sick child.

"They're not just a nuisance—they're just plain dangerous," said Sen. Larry Pressler, South Dakota Republican, during a hearing of Mr. Inouye's subcommittee yesterday.

A representative of the Direct Marketing Association, the industry trade group, agreed such calls should be stopped.

"We . . . agree with the major thrust of the [Hollings] bill," said Richard Barton, senior vice president for government affairs at the Direct Marketing Association, a trade association with 3,500 member companies.

The Hollings bill, however, would do nothing to limit telemarketing calls by live operators. Other bills would go further.

Mr. Pressler has introduced a bill—similar to one offered in the House by Massachusetts Democrat Rep. Edward Markey—that would ask the Federal Communications Commission to look into the possibility of creating a national "Do Not Call" list.

Consumers who do not want to receive telemarketing calls would ask to be placed on the list, and telemarketers would then be prohibited from calling them.

The concept has been adopted by one state, Florida. But state legislation can't limit interstate calling, and so supporters of the idea say a national law is required.

In yesterday's hearing, though, Mr. Pressler's bill was attacked—from opposite sides—by both consumer representatives and the industry.

Michael Jacobson, who says his Center for the Study of Commercialism wants to halt the "permeation of advertising" in everyday life, argued the Pressler bill puts the burden to stop telemarketers on consumers, who must sign up to be on the list.

At the other end of the issue, Mr. Barton said the Direct Marketing Association questions the workability of maintaining a national "Do Not Call" database.

He suggested another alternative, one he said that has been adopted by South Carolina. That state requires organizations to maintain internal "Do Not Call" lists, so that people who receive an unwanted call can instruct the organization not to call again.

Mr. Pressler and Mr. Hollings said yesterday they may try to combine their bills, and on the House side Mr. Markey's proposal has already gone through a number of revisions. But members of Congress said they know their constituents are angry about the calls.

"I have received numerous complaints from Hawaiians who complain they are being called at all hours of the night by persons and computers who are calling from the East Coast" and who don't realize there is a time difference, said Mr. Inouye.

"This is a very emotional issue," Steve Hamm, administrator of South Carolina's Department of Consumer Affairs, told the subcommittee. "And I want you to know that you have hit the pulse of America" by considering the problem.

HOW TO ESCAPE THOSE CALLS

Here are some ways you can avoid most telephone marketing pitches.

Write a letter.

The Direct Marketing Association, a trade group, keeps a list of people who do not want to be called and makes it available to member companies that agree to comply. This can stop about 80 percent of the pitches, but you have to renew your request every five years.

Telephone Preference Service, c/o the Direct Marketing Association, 11 West 42nd St., P.O. Box 3861, New York, N.Y. 10163-3861.

Tell them not to call again.

Believe it or not, this simple expedient actually works for awhile with some companies, whose officials figure it is better not to anger potential customers.

The national photographic portrait chain Olin Mills, for instance, says it keeps "Do Not Call" lists at each of its studios, but they might call again after two years.

Use their technology against them.

Many telemarketers now use "predictive autodialers." The machines dial the numbers and connect the call to a live operator only if someone picks up the phone and says "Hello."

If your "Hello" is followed by a long pause or a click or a beep, just hang up before the machine puts a live operator on the line.

THE NEED FOR A NATIONAL PROGRAM TO PREVENT BALLAST INTRODUCTIONS OF EXOTIC SPECIES

Mr. GLENN. Mr. President, I rise today to reiterate my support for a national program of ballast management to prevent infestations of nonindigenous organisms in all waters of the United States. Nonindigenous species, like the zebra mussel, are an acute problem in the Great Lakes. However, they threaten the aquatic ecology and

the economy of all four of the Nation's coasts, as well as inland waters.

Last fall Congress enacted a version of S. 2244, a bill I authored and introduced earlier in the summer as co-chair of the Senate Great Lakes Task Force. S. 2244 comprehensively addressed the problem of unintentional introductions of nonindigenous species, and stressed prevention. Because ballast tanks of merchant ships are the leading vector of introduction of nonindigenous species, the bill as introduced required a program of environmentally sound ballast management for ships destined for any U.S. port. The national scope of the program was important to me because it was more protective of the Great Lakes, an area of particular concern to my constituents, but also because the absence of such a requirement creates a major gap in our national environmental protection policies.

The Non-indigenous Aquatic Nuisance Prevention and Control Act as enacted established a ballast management program for ships destined for Great Lakes ports only. I was very gratified to see the probability of infestations by nonindigenous species in the Great Lakes dramatically reduced with the enact of the final version. However, I remain concerned that the limited scope of the prevention program will leave the Great Lakes vulnerable to organisms that may become established in contiguous waters, such as the Hudson or Mississippi Rivers. I am also concerned that the remainder of the Nation's marine and fresh water ecosystems continues to be vulnerable to degradation by invading species.

I cannot adequately stress the environmental protection value of a national program of ballast management. In Lake Erie, where the zebra mussel infestation is still raging, we have all but lost our native species of freshwater clams. Other ecological costs are still under study but could include disruption of the migratory patterns of water fowl, and the spawning activity of fish. The economic costs to raw water users are already in the millions of dollars.

A recent Congressional Alert Bulletin from the Coast Guard reported that high levels of human cholera were discovered in the ballast tanks of merchant vessels visiting Mobile Bay from South America. And a November 22, 1991 article in the Wall Street Journal reported increased outbreaks of red tide in U.S. marine waters, and cited ballast dumping as a means of transmission. These articles underscore the fact that non-indigenous organisms transported in ballast water can also create serious public health threats.

I urge the attention of my colleagues to the need for a national program of ballast management to protect all U.S. waters from the serious problem of biological pollution from nonindigenous organisms. I will certainly be working